

To All COBA Trading Partners:
COBA Alert Regarding the Noridian Administrative Services (NAS) Part A J-3 Medicare Administration Contractor (MAC) Merger

The Centers for Medicare & Medicaid Services (CMS) is alerting you that Noridian Administrative Services (NAS), in conjunction with its Data Center, is in the process of merging all six Part A Jurisdiction 3 (J3) Medicare Administrative Contractor (MAC) FISS claims processing environments, including the states of Utah, Montana, Arizona, North Dakota, South Dakota and Wyoming, into one environment effective May 1, 2008. The roll-up contractor number that will be used for this new environment will be 03001. This number will appear on crossover claims for the foregoing Noridian Part A states in loop 1000-A.

To accomplish the J-3 MAC merger, Noridian will impose dark days on May 1st and 2nd, during which the contractor will not transmit crossover files to the COB Contractor (COBC). Monday, May 5th will be Noridian's first claims cycle date, and, at that time, Noridian will resume transmission of crossover files to the COBC. The CMS anticipates that, during the first few of days in the J-3 merged environment, Noridian will generate larger than normal crossover files for the states of Utah, Montana, Arizona, North Dakota, South Dakota, and Wyoming due to some providers moving from a weekly payment schedule to a daily payment schedule. Thus, COBA trading partners should expect larger than normal Noridian Part A crossover files for the foregoing states, beginning with May 6, 2008.

Please note that claims that Noridian created for crossover purposes on April 29th or 30th and that subsequently reject (error out) at the COBC due to Health Insurance Portability and Accountability Act (HIPAA) compliance problems cannot be addressed by Noridian due to the merger of the claims processing regions. This means that if those claims that Noridian transmitted to the COBC on April 29th or 30th reject due to HIPAA errors, Noridian will be unable to notify providers that the claims were not crossed over via its special provider notification process. The reason is that the contractor numbers included on the transmitted claims that errored out will no longer be in existence as of May 5, 2008, the date on which Noridian resumes its normal claims processing cycle and operates within the consolidated J-3 contractor number (03001) environment. Additionally, there may be minimal impact in terms of notifying providers regarding COBA trading partner disputed claims in situations where COBC notifies Noridian of those disputed claims on or after May 1, 2008, and particularly if the disputed claims would have crossed over to COBA trading partners during a period running 21 days prior to the May 1, 2008.

COBA trading partners that accept Part A crossover claims for the aforementioned states may well experience higher provider calls as a result of the Noridian J-3 merger. The CMS has always apprised providers that if they have waited 15 calendar days from Medicare's payment date and have not received supplemental payment, they should first contact the supplemental payer through the payer's appropriate channel and then, if necessary, file a claim to that entity for supplemental payment. If supplemental payers

wish, they may adopt a similar posture in cases where providers contact them, at higher than normal call rates, during the week of May 5, 2008.

In terms of Medicare's provider customer service, Noridian is establishing an alternative method to supply information to providers regarding their affected crossover claims. Providers should contact Noridian's provider call center if they believe their claims did not cross to the secondary insurer.

The CMS is working with its contractors, shared systems, and Data Centers to develop a standard practice that will mitigate the foregoing impacts in association with future MAC processing environment mergers.

Should you have questions regarding this communication, contact your COBC EDI representative or CMS COBA representative. Thank you.